Relining of blast furnaces in IISCO

897. SHRI DIPANKAR MUKHERJEE: Will the Minister of STEEL be pleased to refer to answer to Starred Question 227 given in Rajya Sabha on the 12th March, 2001 and state:

(a) whether approval has been given for relining of blast furnace No. 4 in the year 2001-2002;

(b) whether order for procurement has been released;

(c) the lead time for procurement of items like refractories;

(d) the condition of blast furnace No. 3 and whether the same will last till relining of blast furnace No. 4; and

(e) if not, the steps taken to ensure operations in IISCO?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI BRAJ KISHORE TRIPATHY): (a) The approval for relining of blast furnace No.4 has not yet been accorded by the Board of Directors of Indian Iron and Steel Company (IISCO).

(b) Does not arise.

(c) The lead time for procurement of refractories is about 12 months.

(d) and (e) The condition of blast furnace No. 3 is not satisfactory. However, efforts are being made to run this furnace by adopting technical measures for hearth strengthening so that operations at IISCO are not affected.

Performance of Steel Sector

898. SHRI VIJAY J. DARDA: Will the Minister of STEEL be pleased to state:

(a) whether Government have reviewed the performance of Steel

Sector both Public and Private, in terms of targets set and achieved, projects under implementation, additional capacity generated, investment made etc.;

(b) if so, the details thereof;

(c) whether Government have finalised a programme of modernisation and restructuring of PSUs and the progress achieved in implementation;

(d) the details regarding export performance of Steel Sector over the past three years and projection for the next five years with fresh strategic initiatives taken/proposed to enhance competitive edge; and

(e) the details regarding package of incentives proposed for revival of steel sector performance?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI BRAJ KISHORE TRIPATHY): (a) and (b) The performance of public setor steel plants i.e. Steel Authority of India Limited (SAIL) and Rashtriya Ispat Nigam Ltd. (RINL) is continuously reviewed by Govt. with regard to targets set in Memorandum of Understanding (MoU). Govt. does not monitor the performance of private sector steel plants. However, Project Coordination Group constituted by the Govt. considers *inter-alia* ways and means for early completion of some of the on-going iron and steel projects.

(c) The Financial and Business Restructuring package of SAIL, approved by the Government in February, 2000, is being implemented. During the year 2000-01, power plants at Durgapur Steel Plant (DSP) and Rourkela Steel Plant have been transferred and assigned to the then subsidiary company "SAIL Power Supply Co. Ltd." which was subsequently converted into joint venture company with National Thermal Power Corporation Ltd. for generation and sale of entire power to the company. Disinvestment process for other units are at various stages of implementation.

(d) The export of saleable steel during the last three years is given below. However, Govt. does not fix export target for steel sector.

Year	Quantity (in MT)
1998-99	2.39
1999-2000	3.34
2000-01	3.09

Steps taken to increase exports, *inter-alia*, include:

(i) Rationalisation of Duty Enititlement Pass Book (DEPB) rates.

(ii) Setting up of the Steel Exporters' Forum to remove bottlenecks in the steel exports.

(iii) Exploring/consolidating new/non-traditional markets.

(iv) Maximising exports to neighbouring countries.

(v) Attempting to increase range of export products-wider range of products/sizes/grades.

(vi) Contesting trade cases for re-opening major traditional markets for steel exports.

(e) The Government and the industry have taken the following steps to boost the production/revival of sick steel plants in the country:

(i) Orienting product-mix to suit the market requirements and adjusting production in tune with change in the market demand.

(ii) Development and nourishing long term customers relationship by entering into MoU/supply arrangement with the customers.

(iii) A 'Steel Exporters Forum' has been set up to help steel exporters to overcome bottlenecks in exports.

(iv) To boost the demand and consumption of steel, the Development Commissioner for Iron & Steel (DCI&S) has launched a National Campaign for increasing the demand for steel, especially in non traditional sectors such as rural and agro based industrial sector.

(v) To boost steel exports, rationlisation of DEPB rates has been carried out.

Demand and supply of steel

899. SHRI RAMDAS AGARWAL: Will the Minister of STEEL be pleased to state:

(a) the details of demand and supply of steel during the last three years, year-wise;

(b) whether there has been shortfall in production of steel during the said period;

(c) if so, the reasons therefor;

(d) the manner in which Government propose to meet the demand fully;

(e) whether the steel industries have represented that the demand of steel is sluggish due to fiscal policies;

(f) if so, the details in this regard; and

(g) the details of steps taken, till date by Government to help the steel industry?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI BRAJ KISHORE TRIPATHY): (a) The details of production, demand and suplly of finished steel in the country during the last three years are as below:

		Year	(in million tonnes)
Finished steel	1998-99	1999-2000	2000-2001
Domestic Demand	23.54	25.02	26.65
Production	23.82	26.71	29.70 (Prov)

(b) No, Sir.

(c) and (d) Do not arise in view of (a) and (b) above.